

## AGENDA ITEM No. 2

CABINET

HEAD OF FINANCIAL SERVICES

10 JANUARY 2017

REPORT NO. FIN1701

KEY DECISION? NO

### COUNCIL TAX SUPPORT SCHEME 2017/18

#### **SUMMARY:**

This report proposes some minor, technical changes to the Council Tax Support Scheme following the recent public consultation exercise and recommendations from the Council's Welfare Reform Task and Finish Group.

#### **RECOMMENDATIONS:**

That Cabinet recommend the changes to the Council Tax Support Scheme for 2017/18, as set out in the report, to Council for approval at their meeting of 25<sup>th</sup> January 2017.

## 1. INTRODUCTION

- 1.1 On the 18<sup>th</sup> October 2016, the Cabinet gave its approval to undertake a public consultation exercise in respect of the Council's Council Tax Support scheme (CTSS) in order to inform any decision to amend the scheme for 2017/18. The consultation has now closed and the results have been collated and summarised in the attached report for Cabinet's consideration. The Welfare Reform Task and Finish group, who continue to oversee the operation of the scheme, have also reviewed the results and their recommendations and comments are set out in the report.

## 2. BACKGROUND

- 2.1 Since 2013/14, local authorities have been running their own, locally agreed, Council Tax Support Schemes, replacing the previous national Council Tax Benefit Regulations. The Council has the freedom to set its own local scheme, based on local circumstance and need, other than for pensioners who must be provided with the same level of support as under the previous national arrangements.
- 2.2 For 2016/17, the Council made a number of changes to its CTS scheme in respect of working age recipients, as follows:
  - An increase to the minimum contribution from 8% to 10%

- Removal of the Family Premium for all new claims, in line with other benefits
  - Reduction in the savings threshold from £16k to £6k
  - Maximum support restricted to Band D level for Bands E to H
  - Reduction in backdating awards from 13 weeks, to a maximum of 4 weeks
- 2.3 The Welfare Reform group continues to monitor the effect of these changes on those in receipt of support in order to build up an evidential basis for any future suggested changes to the scheme. At the point of reviewing the scheme for 2017/18, it was felt that there had been insufficient time to draw sound conclusions on the effects of last year's changes and therefore no major changes to the scheme were recommended.
- 2.4 However, it has been the practice since the establishment of Rushmoor's scheme to consider harmonising the CTSS scheme with changes being proposed in the broader welfare system, either to Universal Credit or to Housing Benefit legislation. This simplifies administration and provides greater clarity for recipients.
- 2.5 Cabinet agreed at its meeting of 18<sup>th</sup> October to consult on a number of such alignments. These were predominantly technical changes, which would affect relatively small numbers within the scheme.

### **3. RESULTS OF THE CONSULTATION EXERCISE**

- 3.1 The consultation period ran for just over 5 weeks, from Friday 4<sup>th</sup> November until Sunday 11<sup>th</sup> December 2016.
- 3.2 The survey method was primarily via an online survey available on the Council's website and promoted on social media via Twitter and Facebook posts. It was also available in paper format at the Council offices, Rushmoor Citizens Advice (Aldershot and Farnborough) and First Wessex's office in Aldershot.
- 3.3 A total of 84 responses were received, all online, with 9 of the respondents indicating that they were currently in receipt of Council Tax Support.
- 3.4 Attached at Appendix 1 is the detailed consultation report, which includes a copy of the survey itself.
- 3.5 The following options were consulted on, which were largely technical amendments to bring the scheme in line with other benefit regulations:
- Change to the temporary absence period for which CTS will be paid
  - A change to arrangements for those receiving the work-related activity group component (WRAG) within their Employment Support Allowance (ESA) or Housing Benefit (HB)

- A change to align the CTSS with Housing Benefit and Universal Credit in the way that those who receive carers allowances are treated
- A disregard of 70% of the new postgraduate student loan when calculating entitlement to CTSS

3.6 To demonstrate good practice and avoid any legal challenge around process, any recommendations for change to the scheme should centre on the issues consulted upon and evidence that the changes take into account the responses received.

**4. RECOMMENDATIONS OF THE WELFARE REFORM TASK AND FINISH GROUP (WRT&FG)**

4.1 The cross-party Member Group has continued to meet throughout the year, monitoring the impact of Welfare Reform and of the CTS Scheme in particular, on our residents. The Group’s meeting on 15<sup>th</sup> December 2016 centred on the detailed consultation responses and preparing a series of recommendations for Cabinet.

4.2 The Group recommended that all four changes consulted on should be implemented from 1<sup>st</sup> April 2017. The following table sets out the recommendations with a rationale for each and any additional comments from the Group.

<b>Recommendations</b>	<b>Rationale/Comments</b>
To reduce the time a person can be absent at one time from Great Britain and still get Council Tax Support, to four weeks	This change would bring the Council Tax Support Scheme in line with recent changes to Housing Benefit rules, making it easier and more cost-effective to administer and easier for users to understand. There are some exceptions for certain occupations, such as the armed forces. Extensions can be granted in specific cases relating to bereavement or receipt of medical treatment. The local Nepalese population would be most likely to be affected by the change but this is mitigated by the fact that this cohort has had significant engagement relating to the same change in Housing Benefit rules (which came into effect in July 2016) and has largely adjusted to the change. The WRT&FG requested input into the communications with the Nepalese community, which would broadly follow the earlier communication of changes to the HB rules. The

	change was supported by 89.2% of the valid responses to this question while 8.4% disagreed.
To remove the work-related activity payment for new claimants of Employment and Support Allowance (ESA) when we calculate Council Tax support.	From April 2017, anyone applying for ESA for the first time, who is put into the work-related activity group, will not receive a work-related activity payment in their ESA. Housing Benefit calculations will therefore no longer include this amount. Bringing CTSS in line with HB simplifies the administration of the system and is easier for customers to understand. Removing the work-related activity payment reduces the claimants income and therefore increases the amount of CTS they are entitled to (if they are not already at the maximum level of support). This change was supported by 68.88% of the valid responses to this question while 8.8% disagreed. 22.5% remained neutral perhaps due to the technical nature of the change and the very limited numbers that it would affect.
To remove the Severe Disability Premium (SDP) from CTS calculations when the claimant is being looked after by someone in receipt of the carer's element of Universal Credit.	Again, this technical change brings the scheme into line with HB, making it easier for us to administer and for claimants to understand. While removing the SDP from the calculation for CTS reduces the support to the claimant, the loss in CTS will be paid to the carer within their Universal Credit. This avoids paying for the same care twice. This change was supported by 59.3% of the valid responses to this question while 30.9% disagreed.
To disregard 70% of the new postgraduate student loan when calculating entitlement to CTSS	The Government has adjusted all welfare benefits to disregard 70% of the new postgraduate loan when calculating income, in order to recognise the amount that the student will spend on study expenses, such as books and travel. This improves the position for students in receipt of this grant, giving them greater entitlement to support. This change was supported by 77.8% of the valid responses to

	this question while 22.2% disagreed.
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## 5. IMPLICATIONS OF PROPOSED COURSE OF ACTION

### **Risk**

- 5.1 The main risks to the Council in respect of this report are around not meeting its legal obligations in terms of the timescale for setting its scheme and for undertaking appropriate public consultation on any changes to the scheme. These risks have been mitigated in the following way:
- 5.2 The Council is obliged to set its Council Tax Support Scheme by 31st January each year. A special meeting of the Council has been arranged for 25<sup>th</sup> January 2017 to consider the scheme and any proposed changes.
- 5.3 The recommendations in this report are supported by the results of the public consultation carried out during November and December, and attached at Appendix 1.

### **Financial and Resource Implications**

- 5.4 Financial and Resource implications are minimal. The scheme will be more cost effective to administer if it is aligned with Housing Benefit regulations.

### **Equalities Impact**

- 5.5 A draft Equality Impact Assessment is attached at Appendix 2, which sets out the key issues. The main mitigation described centres around the potential for impact regarding the change to the temporary absence arrangements.

### **Other**

- 5.6 The impact on claimants of CTS will continue to be monitored by the Welfare Reform Task and Finish Group. The numbers of claimants affected by the proposed changes is expected to be low, particularly in respect of proposals 2 - 4.

## 6. CONCLUSIONS

- 6.1 The Council's CTSS has proved effective since its implementation in April 2013 with a sound review process continuously undertaken by the Welfare Reform Task and Finish Group, based on data and evidence collected over time.
- 6.2 The WRT&FG has carefully considered a range of options for potential change and following Cabinet endorsement, these have been tested by public consultation.

- 6.3 The public consultation indicates broad support for some modest changes to Rushmoor's CTSS, of a mainly technical nature that brings CTSS in line with other Welfare benefits.
- 6.4 The WRT&FG recommend that Cabinet put these changes to full Council for their consideration in January.

**CONTACT DETAILS:**

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## **Changes to the Council Tax Support Scheme**

**December 2016**

Consultation report by Strategy, Performance and Partnerships for  
Financial Services

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## Executive summary

The survey has been designed to consult on four proposals for changes to the council tax support scheme, as follows:

- Proposal 1 – to reduce the time a person can be absent at one time from Great Britain and still get council tax support
- Proposal 2 – to remove the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support
- Proposal 3 – to remove the Severe Disability Premium from council tax support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit
- Proposal 4 – to disregard 70% of the new postgraduate student loan in council tax support calculations

The survey was primarily an online survey and the response rate was quite low, with only 84 responses to the survey and only nine of them indicated that they were currently receiving council tax support. This may have been due to the survey being complicated to understand, or a lack of interest in the survey due to lack of impact of the proposals or the method of how the survey was carried out.

There was agreement for all of the proposals put forward by the consultation, the highest level of support was for Proposal 1, 89.2% (74 people) of respondents agreed and agreed strongly to Proposal 1 (to reduce the time a person can be absent at one time from Great Britain and still get council tax support). The second highest level of support was for Proposal 4, 74.1% (60 people) of respondents agreed and agreed strongly to Proposal 4 (to disregard 70% of the new postgraduate student loan in council tax support calculations). The third highest level of support was for Proposal 2, 68.8% (55 people) of respondents agreed and agreed strongly to Proposal 2 (to remove the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support). The lower level of support was for Proposal 3, 59.3% (48 people) of respondents agreed and agreed strongly to Proposal 3 – to remove the Severe Disability Premium from council tax support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit.

Only nine out of the 84 that filled in the survey identified that they were receiving council tax support and the only proposal that more disagreed with than agreed was Proposal 3, three respondents agreed and agreed strongly to this proposal and four respondents disagreed and disagreed strongly to this proposal. The other two respondents either ticked 'I don't know' or 'neither agree or disagree'.

### Introduction

Council tax support helps people on a low income pay their council tax bill by reducing the amount they have to pay. Rushmoor is considering changes to the scheme. The proposed changes are not designed to be money-saving measures but would keep the council tax support scheme in line with the Government's housing benefit and Universal Credit schemes, making it easier and more cost-effective to administer and easier for users to understand.

The survey has been designed to consult on four proposals:

- Proposal 1 – to reduce the time a person can be absent at one time from Great Britain and still get council tax support
- Proposal 2 – to remove the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support
- Proposal 3 – to remove the Severe Disability Premium from council tax support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit
- Proposal 4 – to disregard 70% of the new postgraduate student loan in council tax support calculations

The changes, if agreed, would only affect people of working age, who receive council tax support from April 2017.

### Method

The survey method was via an online survey available on the Council's website, this was promoted on social media via Twitter and Facebook posts. In total 84 people filled in the online survey.

In addition, paper copies (Appendix A) were available in the Council's reception area, Rushmoor's Citizens Advice Bureaus and Frist Wessex's reception area, no one filled in a paper copy of the survey.

The survey ran from Friday 4th November until the Sunday 11<sup>th</sup> December 2016.

### Response rate

Overall, 84 people filled in the survey. Of those, nine identified that they currently receive council tax support and 69 identified that they did not receive council tax support. Two did not know if they received council tax support and four did not answer this question.

The responses rate is quite low but this may have been due to the survey being too complicated to understand, or a lack of interest in the survey due to lack of impact of the proposals or the method of how the survey was carried out.

## Characteristics of the respondents

### Council tax support

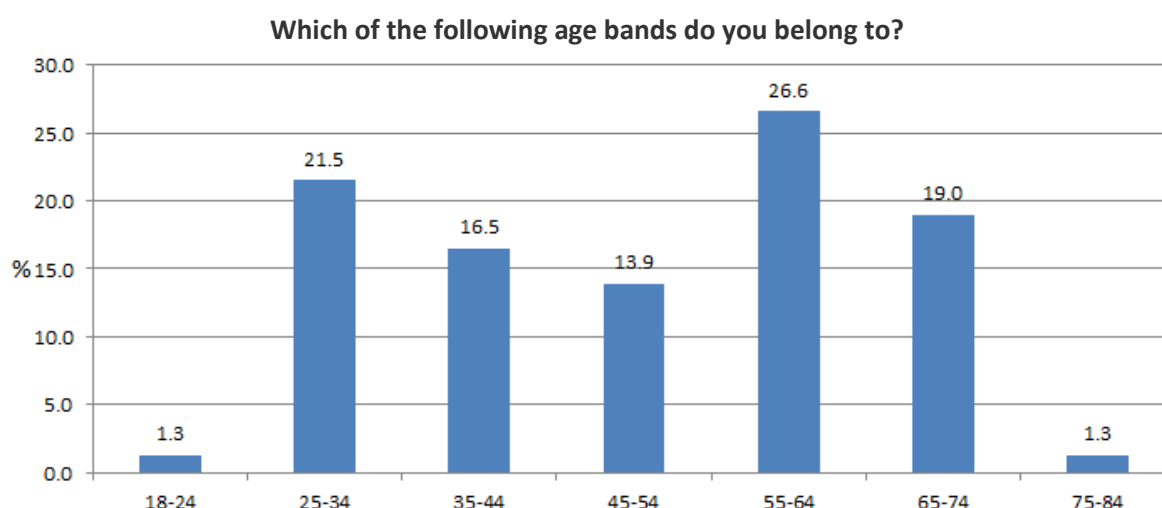
In total, there were 80 valid responses to the question 'Do you receive council tax support?' 69 (86.3%) indicated that they did not receive council tax support, nine (11.3%) indicated that they did receive council tax support and two indicated that they did not know (2.5%).

### Gender

In total 80 respondents filled in the question 'What is your gender?' 48 (60%) of respondents indicated they were female and 32 (40%) of respondents indicated they were male.

### Age group

In total 81 respondents filled in the question 'Which of the following age bands do you belong to?' with two respondents indicating that they preferred not so say. The largest age group was the 55-64 year olds with 26.6% of respondents (21) being this age.



### Conditions or disabilities, which limit daily activities

In total 80 respondents filled in the question 'Do you consider yourself to have any conditions or disabilities which limit your daily activities?' 58 (72.5%) respondents indicated that they did not have any conditions or disabilities, which limit daily activities and 16 (20.0%), indicated that they did have conditions or disabilities, which limit daily activities. Six (7.2%) respondents indicated that they preferred not to say.

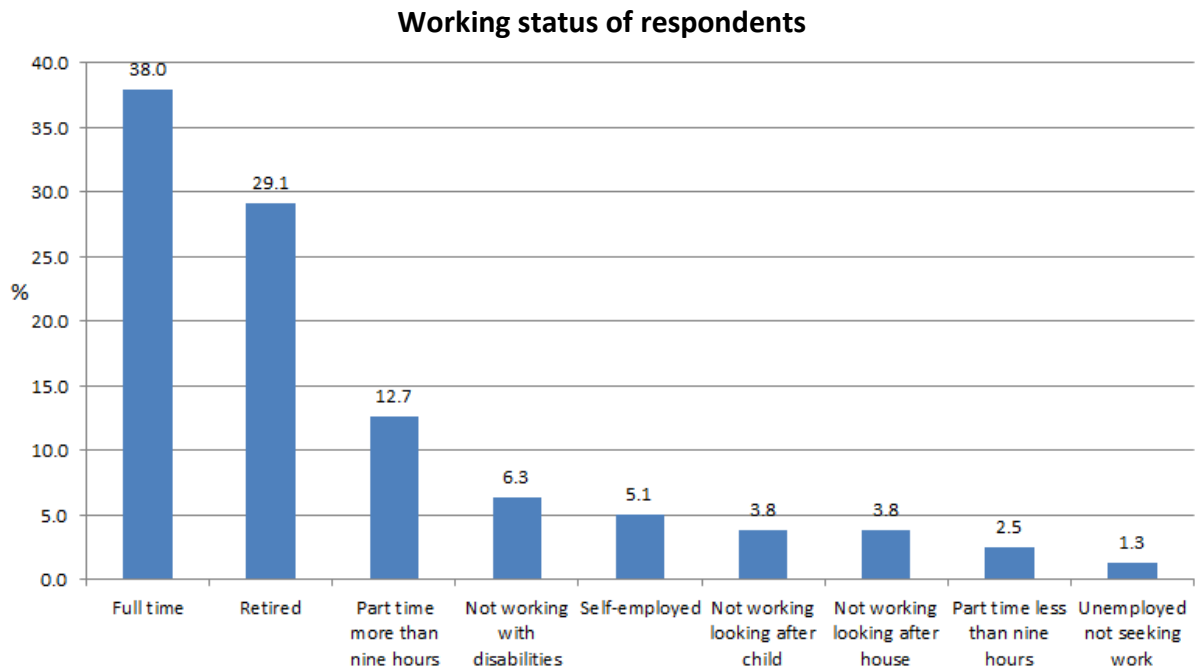
### Ethnic group

In total 81 respondents filled in the question 'What is your ethnic group?' with 66 (81.5%) of them identified themselves as white British. Six (7.4%) respondents identified themselves as any other white background, five (6.2%) respondents identified themselves as Asian or Asian

British - Nepali, one (1.2%) respondent identified themselves as Asian or Asian British - Pakistani, one (1.2%) respondent identified themselves as black or black British - African, one (1.2%) respondent identified themselves as white - Irish and one (1.2%) respondent preferred not to say what ethnic group they were.

**Working status**

In total 79 respondents filled in the question ‘What is your working status’ with the largest group being in full time employment (38% - 30 respondents).



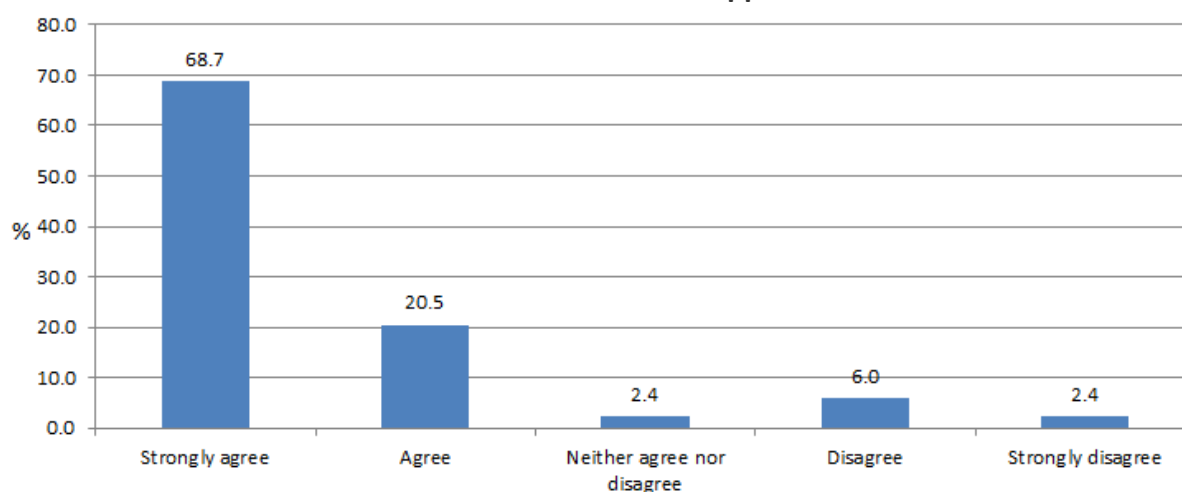
## Consultation results

### Proposal 1 – to reduce the time a person can be absent at one time from Great Britain and still get council tax support

**Question 1 - How much do you agree or disagree that we should reduce the time that people who are absent from Great Britain can receive council tax support to four weeks at one time?**

There were 83 valid responses to this question excluding the one 'I don't know'. 89.2% (74 people) of respondents agreed and agreed strongly to this proposal and 8.4% (7 people) of respondents disagreed and disagreed strongly to this proposal.

**How much do you agree or disagree that we should reduce the time that people who are absent from Great Britain can receive council tax support to four weeks at one time?**



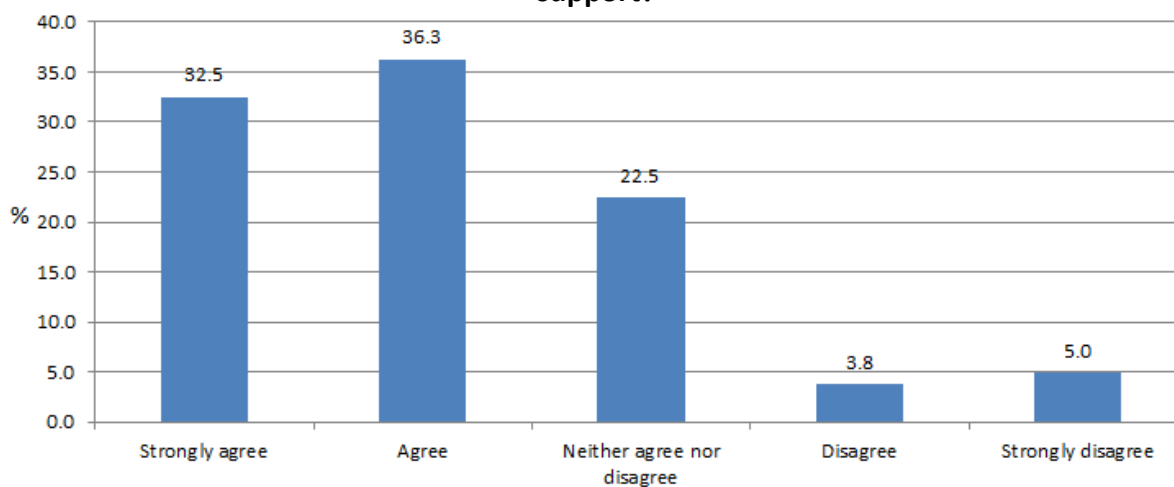
Of the nine people that indicated that they received council tax support, eight respondents (88.9%) agreed and agreed strongly to this proposal and one respondent (11.1%) disagreed and disagreed strongly to this proposal.

### Proposal 2 – to remove the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support

**Question 2 - How much do you agree or disagree with removing the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support?**

There were 80 valid responses to this question excluding the four that answered 'I don't know'. 68.8% (55 people) of respondents agreed and agreed strongly to this proposal and 8.8% (7 people) of respondents disagreed and disagreed strongly to this proposal.

**How much do you agree or disagree with removing the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support?**



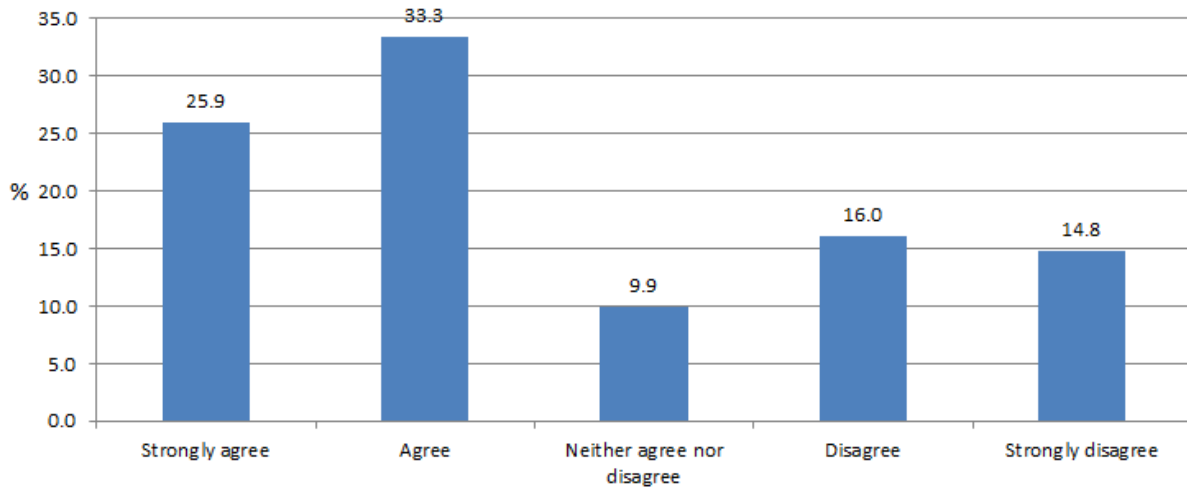
Of the nine people that indicated that they received council tax support, three respondents (33.3%) agreed and agreed strongly to this proposal and three (33.3%) respondents disagreed and disagreed strongly to this proposal. The other three ticked 'neither agree or disagree'.

**Proposal 3 – to remove the Severe Disability Premium from council tax support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit**

**Question 3 - How much do you agree or disagree with removing the Severe Disability Premium from Council Tax Support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit?**

There were 81 valid responses to this question excluding the three who answered 'I don't know'. 59.3% (48 people) of respondents agreed and agreed strongly to this proposal and 30.9% (25 people) of respondents disagreed and disagreed strongly to this proposal.

**How much do you agree or disagree with removing the Severe Disability Premium from Council Tax Support calculations when the claimant is being looked after by someone getting the carer’s element of Universal Credit?**



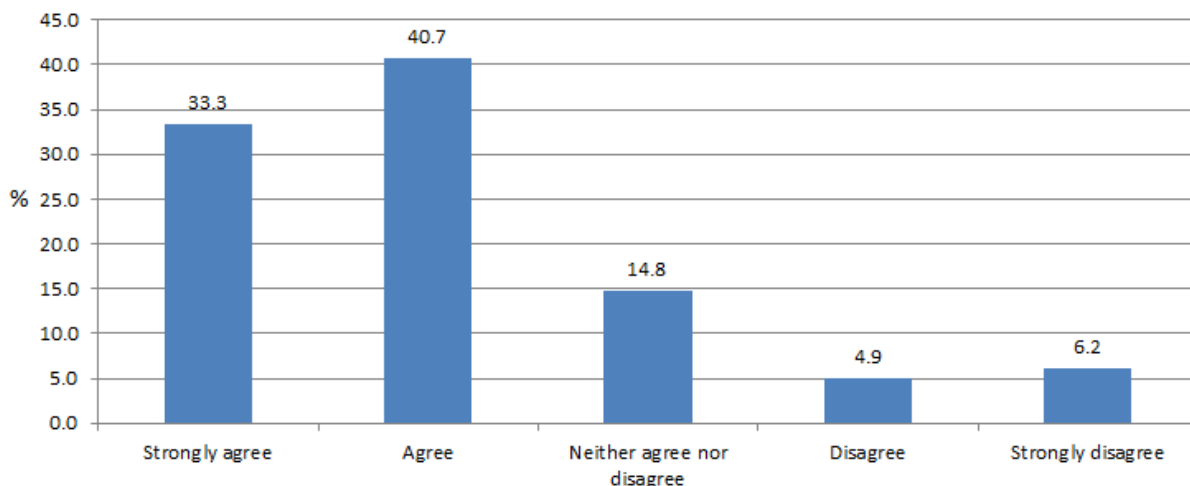
Of the nine people that indicated that they received council tax support, three respondents (37.5%) agreed and agreed strongly to this proposal and four respondents (50%) disagreed and disagreed strongly to this proposal. Of the other two respondents one ticked ‘I don’t know’ and one ticked ‘neither agree or disagree’.

**Proposal 4 – to disregard 70% of the new postgraduate student loan in council tax support calculations**

**Question 4 - How much do you agree or disagree that we should disregard 70% of the new postgraduate student loan when we calculate council tax support?**

There were 81 valid responses to this question excluding the three who answered ‘I don’t know’. 74.1% (60 people) of respondents agreed and agreed strongly to this proposal and 11.1% (9 people) of respondents disagreed and disagreed strongly to this proposal.

**How much do you agree or disagree that we should disregard 70% of the new postgraduate student loan when we calculate council tax support?**



Of the nine people that indicated that they received council tax support, six respondents (77.8%) agreed and agreed strongly to this proposal and two respondents (22.2%) disagreed and disagreed strongly to this proposal. The other one ticked 'neither agree or disagree'.

### **Any further comments**

In total three people filled in this comment box, their comments are set out below:

- Some of your questions are really badly worded and I would suggest are attempting to lead those choosing to complete it to a particular response.  
You have provided no supplementary information about any of the particular segments of society that will be affected - carers, disabled, students, etc, - by any changes - which is quite ridiculous given this survey is being filled in by the general public, many of whom will not understand the impact of the answers they choose. I have therefore selected neither agree/disagree when I am simply not qualified to respond.
- Why is it that you seem to be cutting benefits to those that need it most!!!
- Work will need to take place to ensure Nepali clients have clear information on the changes regarding absence from Great Britain.



## Appendix A – copy of the survey

# Council tax support scheme survey

## Proposed changes to council tax support scheme 2017/18 – we want your views

We are proposing to make some changes to our council tax support scheme for 2017/18 and we would like your views.

Council tax support helps people on a low income pay their council tax bill by reducing the amount they have to pay.

We are considering making some changes to our council tax support scheme from April 2017.

These proposed changes are not designed to be money-saving measures but would keep our council tax support scheme in line with the Government's housing benefit and Universal Credit schemes, making it easier and more cost-effective to administer and for users to understand.

The changes, if agreed, would only affect some people of working age who receive council tax support.

In the following questions, we set out our proposals and ask how much you agree or disagree with them.

We will use the answers you provide to help inform the final decisions we make on the council tax support scheme.

**Please give us your views by  
Sunday 11 December**

**RUSHMOOR**  
BOROUGH COUNCIL

## Proposal 1

### To reduce the time a person can be absent at one time from Great Britain and still get council tax support

At the moment, people receiving council tax support can be temporarily absent from their home for 13 weeks at one time and in some cases, 52 weeks, without it affecting their support.

We are proposing to change this, so that people who are absent from Great Britain for more than four weeks at one time would not receive council tax support while they are away.

They would need to re-apply for support when they return to the country.

There would be some exceptions to this for certain occupations, including the armed forces.

This change would bring the council tax support scheme in line with housing benefit rules, making it easier and more cost-effective for us to administer and for users to understand.

#### Question 1

**How much do you agree or disagree that we should reduce the time that people, who are absent from Great Britain, can receive council tax support to four weeks at one time?**

- Strongly agree
  - Agree
  - Neither agree nor disagree
  - Disagree
  - Strongly disagree
  - Don't know
-

## Proposal 2

### To remove the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support

If you are ill or disabled, you may be able to get Employment and Support Allowance (ESA). If so, the Government will put you into one of two groups – a work-related activity group where you receive regular interviews with an advisor, or one where you don't.

From April 2017, the Government is changing the rules so that anyone applying for Employment and Support Allowance for the first time, who is put into the work-related activity group, will not receive a work-related activity payment in their ESA.

Because of this, the payment will also be removed from any housing benefit calculations.

We are proposing to do the same for council tax support to keep it in line with housing benefit and make the two schemes easier and more cost-effective to administer and for users to understand.

This is only an administrative change and would not affect council tax support claimants, as they already receive the maximum amount of council tax support from us.

#### Question 2

**How much do you agree or disagree with removing the work-related activity payment for new claimants of Employment and Support Allowance when we calculate council tax support?**

- Strongly agree
  - Agree
  - Neither agree nor disagree
  - Disagree
  - Strongly disagree
  - Don't know
-

## Proposal 3

### To remove the Severe Disability Premium from council tax support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit

If you are severely disabled, we may add in a Severe Disability Premium when we work out how much you need to live on for council tax support calculations.

If you are looked after by someone who receives a Carer's Allowance, we do not include this premium when working out your needs. This is to avoid paying for the same care twice.

In future, we want to apply the same rule for carers, who receive the carer's element of Universal Credit.

This would also bring the scheme into line with housing benefit, so it would be easier and more cost-effective to administer and for users to understand.

The proposed changes would mean the council tax support claimant has to pay more council tax, but the equivalent extra amount is paid to the carer on Universal Credit, so they balance out.

#### Question 3

**How much do you agree or disagree with removing the Severe Disability Premium from Council Tax Support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit?**

- Strongly agree
  - Agree
  - Neither agree nor disagree
  - Disagree
  - Strongly disagree
  - Don't know
-

## Proposal 4

### To disregard 70% of the new postgraduate student loan in council tax support calculations

The Government introduced a new loan for postgraduate students studying for a masters degree from this academic year.

Most students, unless vulnerable, wouldn't normally qualify for council tax support and in some cases, would not have to pay council tax at all.

The Government has adjusted all welfare benefits to disregard 70% of the new postgraduate loan. This is to take account of the amount the student will spend on study expenses, such as books and travel.

We are proposing that we do the same for our council tax support scheme.

#### Question 4

**How much do you agree or disagree that we should disregard 70% of the new postgraduate student loan when we calculate council tax support?**

- Strongly agree
  - Agree
  - Neither agree nor disagree
  - Disagree
  - Strongly disagree
  - Don't know
-



**Question 8 Do you consider yourself to have any conditions or disabilities which limit your daily activities?**

- Yes  No  I'd prefer not to say

**Question 9 What is your ethnic group?**

- |   |   |
|---|---|
| <input type="checkbox"/> White - British                    | <input type="checkbox"/> White - Irish                        |
| <input type="checkbox"/> White - Gypsy/Traveller            | <input type="checkbox"/> White - other                        |
| <input type="checkbox"/> Mixed - white and black Caribbean  | <input type="checkbox"/> Mixed - white and black African      |
| <input type="checkbox"/> Mixed - white and Asian            | <input type="checkbox"/> Mixed - other                        |
| <input type="checkbox"/> Asian or Asian British - Nepali    | <input type="checkbox"/> Asian or Asian British - Indian      |
| <input type="checkbox"/> Asian or Asian British - Pakistani | <input type="checkbox"/> Asian or Asian British - Bangladeshi |
| <input type="checkbox"/> Asian or Asian British - Chinese   | <input type="checkbox"/> Asian - other                        |
| <input type="checkbox"/> Black or black British - Caribbean | <input type="checkbox"/> Black or black British - African     |
| <input type="checkbox"/> Black - other                      | <input type="checkbox"/> I'd prefer not to say                |
| <input type="checkbox"/> Any other background               | <input type="text" value="Please specify"/>                   |

**Question 10 What is your working status?**

- |  |  |
|--|--|
| <input type="checkbox"/> Full time                         | <input type="checkbox"/> Part time (less than nine hours)  |
| <input type="checkbox"/> Part time (more than nine hours)  | <input type="checkbox"/> Retired                           |
| <input type="checkbox"/> Self-employed                     | <input type="checkbox"/> Student                           |
| <input type="checkbox"/> Not working (with disabilities)   | <input type="checkbox"/> Not working (looking after house) |
| <input type="checkbox"/> Not working (looking after child) | <input type="checkbox"/> Unemployed (seeking work)         |
| <input type="checkbox"/> Unemployed (not seeking work)     |  |

**Question 11 What is your postcode?**

## Sign up to receive email news from the council

Occasionally, we'd like to send our residents information about the council and our services by email. You can also find out about council consultations.

In addition, our Council Leader, Councillor David Clifford has his own email newsletter that you can sign up to receive.

- Receive news and updates from the council
- Find out about council consultations, including online surveys and occasional focus groups
- Receive news from the Leader, Councillor David Clifford

Your email address

Your first name

Your last name

## Help filling in this survey

If you need any help filling in this survey, please contact our benefits team by:

**Phone:** 01252 398 914 (Monday to Thursday 8.30am to 5pm; Friday 8.30am to 4.30pm)

**Email:** [benefits@rushmoor.gov.uk](mailto:benefits@rushmoor.gov.uk)

You can also ask a member of our benefits team at the council offices

You can also fill in this survey on our website, [www.rushmoor.gov.uk/counciltaxsurvey](http://www.rushmoor.gov.uk/counciltaxsurvey)

**Closing date: Sunday 11 December 2016**

**Thank you**

Council Offices,  
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Farnborough,  
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 @rushmoorcouncil  
 Rushmoor Borough Council  
November 2016



# Equality Impact Assessment – Council Tax Support Scheme 2017/18

<b>Lead Officer</b>	Dawn Menzies-Kelly – Revenues and Benefits Manager
<b>Service</b>	Financial Services
<b>Proposed change to service</b>	Develop a revised Council Tax Support Scheme (CTSS) for 2017/18
<b>Reasons for service change</b>	<p>The Council Tax Benefit Scheme (CTB) was abolished by the Welfare Reform Bill with effect from April 2013. This was replaced with a local Council Tax Support Scheme (CTSS). The Council introduced a CTSS, which was very similar to the previous CTB system.</p> <p>In 2016/17 the Council applied four changes to the 2015/16 CTS scheme:</p> <ul style="list-style-type: none"> <li>▪ To further limit the amount eligible for CTS to 90% of the Council Tax liability</li> <li>▪ To reduce the backdating period to 4 weeks</li> <li>▪ To remove the Family Premium in the calculation of CTS</li> <li>▪ To reduce the level of savings a working age person could have before they could claim support from £16,000 to £6,000</li> </ul> <p>The Council's original overall budget for CTS had been cut by Central Government with further cuts experienced over the last two years and confirmed to continue. It is for local councils to determine how to manage any funding gaps and any cuts can only be made to a CTS scheme for working age recipients. This is due to the strict guidelines from Government to ensure support for pensioners' remains at the same level as previously applied with CTB. This is delivered through a national framework of criteria and allowances.</p> <p>The Government is also continuing with a national programme of Welfare Reform and it is appropriate to consider whether some of the changes to other welfare systems should be reflected in the Council's local CTSS.</p> <p>Rushmoor Borough Council needs to annually review its CTSS. The scheme must be set each year by 31<sup>st</sup> January.</p> <p>Any proposed changes must be fully consulted on as well as alternative options to funding changes.</p>
<b>Information about users, research or other evidence</b>	<p>For the 2017/18 Council Tax Support Team, Rushmoor Borough Council has the option of not changing the scheme or designing a revised scheme, which closes the funding gap, incentivises work and supports the programme of welfare reform.</p> <p>1. Develop a new local CTS scheme. The preferred option would be to continue a means tested scheme aimed at helping those in greatest need. This has been the case since April 2013 where</p>

	<p>Rushmoor's scheme has been based on the CTB model. To avoid passing on increased costs of the support, further changes would need to be applied.</p> <p>2. Changes being considered under the proposed scheme for 2017/18 are technical legislative changes, which will mean keeping the scheme aligned with other welfare benefits such as Housing Benefit and Universal Credit.</p> <ul style="list-style-type: none"> <li>a) To reduce the time a person can be absent from Great Britain and still get Council Tax Support.</li> <li>b) To remove the work-related activity payment for new claimants of Employment and Support Allowance when we calculate Council Tax Support.</li> <li>c) To remove the Severe Disability Premium from Council Tax Support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit.</li> <li>d) To disregard 70% of the new postgraduate student loan in Council Tax Support calculations.</li> </ul> <p>In order to establish options for change, the Council has established a Welfare Reform Task and Finish Group of cross party elected Members. The Group has met on three occasions during the calendar year of 2016 and considered a vast weight of evidence in relation to:</p> <ul style="list-style-type: none"> <li>▪ Current recipients</li> <li>▪ Affordability and Council Tax payment rates</li> <li>▪ Impact on different groups within the scheme</li> <li>▪ Comparisons with other similar local authorities within the County, those bordering and those in our Audit family</li> <li>▪ Various scheme designs, both locally and nationally</li> <li>▪ Comparisons on collection rates according to scheme design</li> </ul> <p>Full details of this evidence base and detailed claimant profiles lie within the supporting documentation for the Member group's meetings.</p>
<p><b>Stakeholder consultation and involvement</b></p>	<p>Following publication of the draft scheme, a formal consultation period ran between 3<sup>rd</sup> November 2016 and 11<sup>th</sup> December 2016. General awareness was raised via leaflets, posters, press releases and the on-line through the Council's website. Paper forms were available at various points through the borough. Separate contact was made to Nepali voluntary organisations and the Gurkha Welfare trust as one of the proposed changes when introduced in Housing Benefit regulation in July 2016 had a particular impact.</p> <p>Disability groups were also contacted regarding the removal of the Work Related Activity component and the Severe Disability Premium.</p> <p>There was also an on-line questionnaire available on our website throughout the consultation.</p> <p>Other stakeholders were consulted via general publicity and email to explain the basic outline of the proposals and directing them to the on-line consultation.</p> <p>These stakeholders included:</p> <ul style="list-style-type: none"> <li>▪ Citizens Advice</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Community groups and voluntary sector</li> <li>▪ Precepting authorities</li> <li>▪ Elected Members and staff</li> </ul>
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**Impact of Change – Who will be affected? How the change will impact on equality groups. Any positive and negative impacts of the changes on users. Actions taken to avoid or lessen any negative impacts.**

- As at 3<sup>rd</sup> November 2016, there were a total of 37,434 properties liable for Council Tax in Rushmoor
- 13% were receiving CTS and of these, 2604 (6.9% of properties) were working age households
- The changes being considered within the scheme proposals will affect working age people only
- Further analysis of the equality strands are:

Age	Positive	Negative
<p>Profile data available from the current scheme. This covers all those in receipt of CTS</p> <p>Working age = 2604 Pension age = 2293</p>	<p>People of pension age are protected and will not be subject to change under the new scheme.</p> <p>Could incentivise people back into work as earnings disregards and extended payments apply.</p> <p>Our scheme has a hardship fund that provides a safety net so that additional support can be provided for those in exceptional need.</p> <p>We have a good track record of providing proactive and tailored support for those working age customers who struggle to make payments. We will continue to ensure our recovery procedures identify cases where additional support might be required.</p>	<p>The scheme will discriminate on the grounds of age because of the Central Government requirement to protect pensioners. The National Pensioner Scheme treats them more favourably because allowances are more generous and 100% maximum support applies where entitled.</p> <p>Working age people receive less CTS therefore have more Council Tax to pay.</p>

Disability	Positive	Negative
<p>Profile data available from current CTS claims. In this instance, a person is defined as disabled if they are in receipt of Disability Living Allowance or a Personal Independence payment.</p>	<p>Disability benefit income is disregarded in full when calculating entitlement.</p> <p>Higher allowances are awarded when calculating support for those receiving</p>	<p>Working age people receive less CTS, therefore have more Council Tax to pay. No further specific negative impact is identified for those with disabilities.</p>

	<p>disability benefits.</p> <p>Our scheme has a hardship fund that provides a safety net so that additional support can be provided for those in exceptional need.</p> <p>We have a good track record of providing proactive and tailored support for those working age customers who struggle to make payments. We will continue to ensure our recovery procedures identify cases where additional support might be required.</p>	
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<b>Marital status, family circumstances or caring responsibilities</b>	<b>Positive</b>	<b>Negative</b>
<p>Single person household</p> <p>Couple with no children</p> <p>Families with children</p> <p>Household with carer</p>	<p>Higher allowances will be awarded in the calculation of support for carers.</p> <p>The scheme builds in additional premiums for existing claims where there are children.</p> <p>Our scheme has a hardship fund that provides a safety net so that additional support can be provided for those in exceptional need.</p> <p>We have a good track record of providing proactive and tailored support for those working age customers who struggle to make payments. We will continue to ensure our recovery procedures identify cases where additional support might be required.</p>	<p>The changes to legislation, within Housing Benefit from April 2016 regarding removing the Family Premium for new HB claims, were also introduced to the CTS Scheme from 1<sup>st</sup> April 2016. This means working age people with children will have their CTS calculated without a Family Premium. This only affected those with a new claim.</p> <p>All people in this group who previously received CTS will have more Council Tax to pay.</p> <p>Child Benefit and Maintenance have been treated as income since April 2013. Analysis over the last two years shows a minor detrimental impact in terms of small increases in Council Tax arrears.</p>

<b>Sex (gender)</b>	<b>Positive</b>	<b>Negative</b>
	The scheme will not treat people of different genders any differently.	

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Race/Ethnicity/Religion/ Belief/Sexual Orientation	Positive	Negative
We do not hold any specific data for this category.	The scheme will not treat people in different race, belief or sexual orientation groups any differently.	Changes to the temporary absence rule may impact those who still retain connections in countries outside of the UK – see below.

Proposed changes	Positive	Negative
To reduce the time a person can be absent from Great Britain and still get council tax support.	The scheme will not treat people in different race groups any differently.	<p>The following is an excerpt from the Government's Equality Impact Assessment regarding this change in legislation: <i>"that new legislation will apply to all customers equally from April 2016 and so will not affect any customers differently because of their race/ethnicity. However, due to the ethnicity profile of HB claimants, there may be an impact on the proportion of Black / Black British ethnicities and a lower proportion of white people are in the affected group. However, although we don't have data of those that would be directly affected through travelling abroad for more than 4 weeks, of those that choose to do so, it may be that as around 20% 3 of visits between 28 and 90 days are to an Asian country potentially the Asian ethnicity could be more affected by the rule change. This could also mean that this is reflected in a disproportionate impact on certain religious groups, for example Muslims, Sikhs and Hindus.</i></p> <p><i>It is the Department's view that the allowance of a 4 week absence is reasonable and should allow sufficient time, for example, for pilgrimages or sharing religious festivals with family</i></p>

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		<p><i>members abroad, without claimants having to reclaim Housing Benefit on their return from abroad”</i></p> <p><a href="https://www.gov.uk/.../equality-assessment-ssac-hb-temp-absence-feb-2016.pdf">https://www.gov.uk/.../equality-assessment-ssac-hb-temp-absence-feb-2016.pdf</a></p> <p>We have evidence that our customers who visit Nepal during the life of their claim did use the full 13 weeks allowed before the regulation changed in July 2016. However since the period reduced to 4 weeks there is evidence that shows their visits are now being made within the time allowed. There are very few occurrences of extended absence resulting in customers having to reclaim when they return.</p>
To remove the work-related activity payment for new claimants of Employment and Support Allowance when we calculate Council Tax support.	None	In terms of their overall welfare benefit income from the Department of Work and Pensions, they will see a reduction of around £1,200 per year.
To remove the Severe Disability Premium from Council Tax Support calculations when the claimant is being looked after by someone getting the carer's element of Universal Credit.	This brings this feature of the Scheme in line with Housing Benefit changes that will be effective from 1/4/16. This enables customers to be treated the same in respect of both Scheme calculations.	Reduces support for someone with a Carer receiving Universal Credit including the Carers element. However, the loss in CTS will be paid as an equivalent sum to the carer with in their Universal credit. We have very few cases currently where SDP is included in calculation. Should any of these customers start having care provided by a carer who receives the carers' element of UC, we would remove the SDP and reduce their CTS.
To disregard 70% of the new postgraduate student loan in Council Tax Support calculations.	The customer will have a larger % of the new loan disregarded than the current loan has.	None

### Issues, Recommendations and Mitigations

- To protect the most vulnerable, or those adversely affected by changes, Rushmoor Borough Council has maintained a Hardship Fund to act as a safety net. It is recommended that this Fund be continued and appropriate capacity be created for it within the Council's budget setting process for 2017/18.
- From April 2017, the effects of the final scheme will need to be carefully monitored and any negative effects minimised. It is recommended that this oversight continue to be provided by the Council's cross party elected Member Welfare Reform Task and Finish Group. The Group have requested oversight of the amended advice and documentation prepared to assist groups affected by the temporary absence changes, particularly the information shared with local Nepalese groups.
- Particular attention will be paid to any customers that are affected by more than one change.
- It is recommended that all customers affected by the changes receive clear explanations, offers of advice and sign posting towards further assistance as soon as is practical following the decision to set a scheme for 2017/18. The Council's on-line information should also reflect the general issues identified within this EIA as soon as practical.